RECEIVED SURFACE TRANSPORTATION

SONNENSCHEIN NATH & ROSENTHAL

1301 K STREET N.W.

SUITE 600, EAST TOWER

DEC 21 2 01 111 100 (202) 408-6400

(202) 408-6400 FACSIMILE

LOS ANGELES
NEW YORK

WASHINGTON, D.C. 20005

FACSIMILE (202) 408-6399

SAN FRANCISCO ST. LOUIS

CHICAGO

December 21, 1998

...,

DIRECT LINE (202) 408-6351

By Hand

Hon. Vernon A. Williams, Secretary Surface Transportation Board 1925 K Street, N.W., Room 714 Washington, D.C. 20423-0001

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DEC 2 1 98

2-01 PM

Dear Secretary Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. §11301(a) are two (2) original copies of a Memorandum of Security Agreement, dated as of December 15, 1998, a primary document as defined in the Board's Rules for the Recordation of Documents, 49 C.F.R. Part 1177.

The names of the parties to the enclosed (and certain related) documents are:

Borrowers:

Martin Resource Management Corporation

Berry Petroleum Corporation

Central Oil Co., Inc.

Magnum Oil Gas Company

Martin Gas Sales, Inc. Martin Gas Transport, Inc.

Martin Resources, Inc.

Martin Underground Storage Inc.

Midstream Fuel Service, Inc.

Martin LP Gas, Inc. Ican Energy Company

Lender, Issuing Bank

and Administrative Agent:

The Chase Manhattan Bank

Lender and

Collateral Agent:

The CIT Group\Business Credit, Inc.

Lender and

Documentation Agent:

Fleet Capital Corporation

Contexpart - Lyd Bon

Hon. Vernon A. Williams December 21, 1998 Page 2

A description of the railroad equipment covered by the enclosed documents is as follows:

<u>Number</u>	<u>Type</u>	Identifying Marks
25	Tank Cars	MGSX 1943 through MGSX 1967,
	and the second s	inclusive

Please note that, under the Security Agreement, as more fully described therein, each Borrower also grants to the Collateral Agent a security interest in ALL SUCH OTHER EQUIPMENT (INCLUDING RAILROAD CARS, LOCOMOTIVES AND OTHER ROLLING STOCK) AS IS NOW OWNED OR AT ANY TIME HEREAFTER MAY BE ACQUIRED BY SUCH BORROWER OR IN WHICH SUCH BORROWER NOW HAS OR AT ANY TIME IN THE FUTURE MAY ACQUIRE ANY RIGHT, TITLE OR INTEREST.

Also enclosed is a check in the amount of \$26.00, payable to the order of the Surface Transportation Board, which covers the required recordation fee. Kindly return one stamped copy of the enclosed document to the undersigned.

Sincerely yours.

L. John Osborn

Enclosures

DEC 21 '98

2-01PM

MEMORANDUM OF SECURITY AGREEMENT

made by

MARTIN RESOURCE MANAGEMENT CORPORATION
and certain of its Subsidiaries
in favor of
THE CIT GROUP/BUSINESS CREDIT, INC.
as Collateral Agent

This MEMORANDUM OF SECURITY AGREEMENT, dated as of December 5, 1998, is made by MARTIN RESOURCE MANAGEMENT CORPORATION, a Texas corporation (the "Company"), certain subsidiaries of the Company (together with the Company, the "Borrowers"), and by THE CIT GROUP/BUSINESS CREDIT, INC., as Collateral Agent (in such capacity, the "Collateral Agent").

WHEREAS, the Borrowers, The Chase Manhattan Bank, individually as Lender, and as an Issuing Bank, and Administrative Agent, The CIT Group/Business Credit, Inc., individually as a Lender and as Collateral Agent and Fleet Capital Corporation, individually and as Documentation Agent (individually, a "Lender" and, collectively with each additional Issuing Bank or financial institution that may from time to time become a party thereto, the "Lenders"), have entered into a certain Credit Agreement, dated as of December 15, 1998 (the "Credit Agreement"), under which certain loans will be made to Borrowers, as more fully described in the Credit Agreement; and

WHEREAS, as required by the Credit Agreement, the Borrowers and the Collateral Agent have entered into a certain Security Agreement, dated as of December 5, 1998 (the "Security Agreement"), under which each Borrower assigns and transfers to the Collateral Agent, and grants to the Collateral Agent, for the ratable benefit of the Lenders, a security interest in various property (as more fully described in the Security Agreement), including the following railroad equipment:

Number of Cars	Type	Identifying Marks
25	Tank Cars	MGSX 1943 through MGSX 1967, inclusive,

and

WHEREAS, under the Security Agreement, as more fully described therein, each

Borrower also grants to the Collateral Agent a security interest in ALL SUCH OTHER EQUIPMENT (INCLUDING RAILROAD CARS, LOCOMOTIVES AND OTHER ROLLING STOCK) AS IS NOW OWNED OR AT ANY TIME HEREAFTER MAY BE ACQUIRED BY SUCH BORROWER OR IN WHICH SUCH BORROWER NOW HAS OR AT ANY TIME IN THE FUTURE MAY ACQUIRE ANY RIGHT, TITLE OR INTEREST; and

WHEREAS, this Memorandum may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one such Memorandum.

IN WITNESS WHEREOF, each of the undersigned pursuant to due corporate authority has caused this Memorandum of Security Agreement to be executed in its respective corporate name by an officer duly authorized, and hereby declares pursuant to 28 U.S.C. § 1746 under penalty of perjury that this Memorandum is a true and correct document and was executed as of the date herein first set forth above.

MARTIN RESOURCE MANAGEMENT CORPORATION

Ruben S. Martin, III

President

BERRY PETROLEUM CORPORATION

Ruben S Martin D

President

CENTRAL OIL CO., INC.

Ruben S. Martin, III

MAGNUM OIL & GAS COMPANY

By:
Carroll W. Brooks
President
MARTIN GAS SALES, INC.
Ву:
Ruben S. Martin, III
President
MARTIN TRANSPORT, INC.
Ву:
Ruben S. Martin, III
President
MARTIN RESOURCES, INC.
. 1
Ву:
Ruben S. Martin, III
President
MARTIN UNDERGROUND STORAGE INC.

President

Ruben S. Martin, III

MIDSTREAM FUEL SERVICE, INC. By: Kuben S. Martin, III President MARTIN LP GAS, INC. Ruben S. Martin, III President ICAN ENERGY COMPANY By: Martin Gas Sales, Inc., partner Ruben S. Martin, III President C. W. Brooks, Inc., partner By: Carroll W. Brooks

MIDSTREAM FUEL SERVICE, INC.

By:

Ruben S. Martin, III

President

MARTIN LP GAS, INC.

By:

Ruben S. Martin, III

President

ICAN ENERGY COMPANY

By: Martin Gas Sales, Inc., partner

Bv:

Ruben S. Martin, III

President

By: C. W. Brooks, Inc., partner

Carroll W. Brooks

MIDSTREAM FUEL SERVICE, INC.

By:_

Ruben S. Martin, III

President

MARTIN LP GAS, INC.

By:

Ruben S. Martin, III

President

ICAN ENERGY COMPANY

By: Martin Gas Sales, Inc., partner

Bv:

Ruben S. Martin, III

President

By: C. W. Brooks, Inc., partner

Carroll W. Brooks

State of Texas)) SS:
County of Dallas)
III to me personally known, who being by a Resource Management Corporation, that the corporate seal of said corporation, that said	1998, before me personally appeared Ruben S. Martin me duly sworn, says that he is the President of Martin he seal affixed to the foregoing instrument is the instrument was signed and sealed on behalf of said execution of the foregoing instrument was the free act
	Jonna L Julledy Signature of Notary Public
My commission expires 9-23-00	Should have the collection of
Seal	DONNA L. GULLEDGE MY COMMISSION EXPIRES September 23, 2000

State of Texas	
County of Dallas) SS:)
III to me personally known, who being be Petroleum Corporation, that the seal affix said corporation, that said instrument was	r, 1998, before me personally appeared Ruben S. Martin by me duly sworn, says that he is the President of Berry ked to the foregoing instrument is the corporate seal of s signed and sealed on behalf of said corporation, and he foregoing instrument was the free act and deed of said
	Signature of Notary Public
My commission expires	00

State of Texas)) SS:
County of Dallas)
III to me personally known, who being by me Oil Co., Inc., that the seal affixed to the foreg corporation, that said instrument was signed a	98, before me personally appeared Ruben S. Martin e duly sworn, says that he is the President of Central going instrument is the corporate seal of said and sealed on behalf of said corporation, and he soing instrument was the free act and deed of said
	Signature of Notary Public
My commission expires	DONNA L. GULLEDGE MY COMMISSION EXPIRES September 23, 2000

State of Texas)			
County of Dallas) SS:			
County of Danas	,			•
On this /5 day of I	ecember 1998 befor	e me nersona	lly anneared Carrol	1 W
Brooks to me personally known			* * *	
Mangum Oil & Gas Company,			-	-
seal of said corporation, that said	•			
and he acknowledged that the e said corporation.	xecution of the foregor	ing instrumer	it was the free act an	ia aeea or
bara corporation.			<i>a</i> .	
			L. Sulles	0
	Signatur	of Notary P	yhlia	3-
	Signature	of Notary P	uone	
My commission expires	23-00	n-patition of the contribution of the con-	DONNA L. GULLEDGE	
		***	MY COMMISSION EXPIRES September 23, 2000	
		ach a thumiline and a second	on a la ana a sa a sa a a a a a a a a a a a a	<u></u> <u>J</u>

State of Texas)
) SS:
County of Dallas)
III to me personally known, who being by n Gas Sales, Inc., that the seal affixed to the fo corporation, that said instrument was signed	998, before me personally appeared Ruben S. Martin ne duly sworn, says that he is the President of Martin pregoing instrument is the corporate seal of said and sealed on behalf of said corporation, and he going instrument was the free act and deed of said
	Signature of Notary Public
My commission expires 9-23-08	DONNA L. GULLEDGE MY COMMISSION EXPIRES September 23, 2000

State of Texas)	
) SS:	
County of Dallas)	
III to me personally known, who Transport, Inc., that the seal af corporation, that said instrume	ho being by me duly sworn fixed to the foregoing instr nt was signed and sealed or	e personally appeared Ruben S. Martin a, says that he is the President of Martin rument is the corporate seal of said in behalf of said corporation, and he nent was the free act and deed of said
	Signature of	Notary Public
	Signature of	Notary 1 uone
My commission expires	7-23-08	DONNA L. GULLEDGE
		MY COMMISSION EXPIRES September 23, 2000

State of Texas)) SS:
County of Dallas)
III to me personally known, who being by me Resources, Inc., that the seal affixed to the for corporation, that said instrument was signed a	98, before me personally appeared Ruben S. Martin e duly sworn, says that he is the President of Martin regoing instrument is the corporate seal of said and sealed on behalf of said corporation, and he oing instrument was the free act and deed of said
-	Louise L. Sulling. Signature of Notary Public
My commission expires 9-23-88	DONNA L. GULLEDGE MY COMMISSION EXPIRES September 23, 2000

State of Texas)	\
County of Dallas) SS:)	
III to me personally known, who be Underground Storage Inc., that the of said corporation, that said instru	peing by me duly sworn e seal affixed to the fore ument was signed and s	ne personally appeared Ruben S. Martin n, says that he is the President of Martin egoing instrument is the corporate seal sealed on behalf of said corporation, and rument was the free act and deed of said
	Signature of	Notary Public
My commission expires $9-3$	3-00	DONNA L. GULLEDGE MY COMMISSION EXPIRES September 23, 2000

State of Texas)
County of Dallas) SS:)
III to me personally known Midstream Fuel Service, In seal of said corporation, th	December, 1998, before me personally appeared Ruben S. Martin ho being by me duly sworn, says that he is the President of that the seal affixed to the foregoing instrument is the corporate aid instrument was signed and sealed on behalf of said corporation, execution of the foregoing instrument was the free act and deed of
	Signature of Notary Public
My commission expires	

State of Texas)
) SS:
County of Dallas)
On this / J. day of December, 10	98, before me personally appeared Ruben S. Martin
III to me personally known, who being by m	e duly sworn, says that he is the President of Martin
	going instrument is the corporate seal of said
•	and sealed on behalf of said corporation, and he
•	going instrument was the free act and deed of said
corporation.	,
•	
	Long L. Gelde
	Signature of Notary Public
My commission expires $9-23-0$	- Alexand Boot Boot Boot Blood Bl
wy commission expires	DONNA L. GULLEDGE
	MY COMMISSION EXPIRES September 23, 2000
	Statistical Continued Institution of

State of Texas)	
C CD 11) SS:	
County of Dallas)	
On this 15 day of December, 19	998, before me personally appeared Ruben S. Martin	
· · · · · · · · · · · · · · · · · · ·	ne duly sworn, says that he is the President of Martin	
	Corporation, that the seal affixed to the foregoing	
instrument is the corporate seal of said corporation, that said instrument was signed and sealed on		
was the free act and deed of said corporation	edged that the execution of the foregoing instrument	
was the free act and deed of said corporation	II.	
	0. 96 000	
	Signature of Notary Public	
	Signature of Notary Public	
My commission expires 9-23-0	DONNA I GUILEDGE	
	MY COMMISSION EXPIRES September 23, 2000	
	September 25, 2000	

State of Texas)
) SS:
County of Dallas)
Brooks to me pers C.W. Brooks, Inc. instrument is the c behalf of said corp	day of December, 1998, before me personally appeared Carroll W. onally known, who being by me duly sworn, says that he is the President of as partner of Ican Energy Corporation, that the seal affixed to the foregoing orporate seal of said corporation, that said instrument was signed and sealed on oration, and he acknowledged that the execution of the foregoing instrument deed of said corporation.
	Signature of Notary Public
My commission ex	pires 9-23-70 DONNA L. GULLEDGE MY COMMISSION EXPIRES September 23, 2000